



SPITALFIELDS FESTIVAL LIMITED
Trading as SPITALFIELDS MUSIC

Trustees Report & Financial Statements
FOR THE YEAR ENDED 31 AUGUST 2017



Charity No. 1052043
Company No. 3138347

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SPITALFIELDS FESTIVAL LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2017

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CHAIR'S STATEMENT

In December 2016 Spitalfields Music announced a reinvigorated vision reflecting the changing world in which it operates. Building on the spirit of its founding values, the charity will be ambitious and inclusive, bringing artists, audiences and communities together to find, explore and share extraordinary music experiences in one of the most vibrant areas of London. To achieve this, we have taken a bold step change in scaling back our Summer Festival activity in order to realise ambitious new plans for our Winter Festivals.

As such, the 2016-17 year has continued to be transitional for Spitalfields Music. Alongside moving to a single large-scale festival each year, supplemented by other one-off opportunities to engage with performance work during the year as well as our year round Learning & Participation programme, we have completed our strategic plans for the next five years and secured Arts Council England National Portfolio status through to 2022.

The Board and management team at Spitalfields Music were aware that this year would be challenging financially and following a deficit of £162,987 after taking into account the increase in the value of our investments, have made a judicious draw on reserves to enable us to deliver our programme while changes were made in the organisation. During the year, we recruited a new Director of Development, having spent a number of months with a reduced Development and fundraising function, so the successful result of the Arts Council England bid and the private funding brought in during the year is testament to the talent and hard work of the staff team. As well as changes to the management, the organisation moved premises to be part of the community of charities housed at St Margaret's House in Bethnal Green, closer to the heart of Tower Hamlets. While we will save money on our establishment costs as a result of the relocation, there were a number of one-off expenses affecting our bottom line this year. Including the costs of the restructure, we estimate around £60k of one-off costs in the year.

Winter 2017 will herald our reinvigorated programme as we invite conductor/director André de Ridder to be our Artistic Curator for the 2017 Spitalfields Festival. His bold programming choices will take Spitalfields Music further than ever before: working with world-leading artists spanning a wide range of music genres and pushing further the boundaries of how we experiment with the presentation of seminal works from the classical music canon. Our Learning & Participation programme will build on long-running projects like Neighbourhood Schools and our Inclusive Ensemble delivered in partnership with Drake Music and the London Symphony Orchestra, and we will continue to support Tower Hamlets Arts and Music Service with their key stage three singing strategy. With support from Help Musicians UK and the PRS Foundation, we will further develop our Creative Leadership Programme and Open Call series, working with musicians on the next steps in the development of their creative practice.

Our ability to deliver our work is only possible through the generosity and support of a broad range of individuals, trusts and foundations, corporate and business supporters, including our many partners who assist us by donating their facilities and services. We are grateful to all for their continuing support. I pay tribute to my fellow Trustees, and in particular to Sir Alan Moses whom I succeed as Chair and who has brought so much energy and wisdom to this remarkable charity. I also

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pay tribute to our staff team whose commitment to be exceptional in everything we do makes Spitalfields Music the success it continues to be.

Maurice Biriotti

OUR VISION

Spitalfields Music brings artists, audiences and communities together to discover and share extraordinary music in one of the most vibrant areas of London. With a reinvigorated vision responding to changing contexts, we have ensured our work continues to be bold, distinctive and relevant to the greatest number of people.

Vision

Every person is empowered to enrich their life by finding, exploring and sharing extraordinary music experiences.

Mission

To provide high quality, relevant and inclusive opportunities for people across East London to engage with music as creators, performers and audiences. Through participatory work, performances and artist development, we create opportunities for people to learn about themselves and others, and to understand and shape the world around them.

Aims

Our core aims determine our programme of activity and the people, organisations and artists we work with. They are:

1. To produce and curate music experiences that inspire, surprise, challenge and entertain: creating work locally that resonates nationally and internationally
2. To empower people to explore, make, debate and share music and in doing so to realise potential in individuals and communities
3. To open up pathways for artists' professional development ensuring a strong, diverse, adaptive, more rounded and connected musical workforce
4. To ensure the charity is robust, resilient and adaptable, with every project actively contributing to its sustainability and the delivery of the mission.

Spitalfields Festival Limited is a company limited by guarantee and a registered charity which operates under the name Spitalfields Music. The charity was founded in 1976 to promote, maintain, improve and advance the education of the public through musical activities. It has a particular objective of serving the London Borough of Tower Hamlets in which it is based. The trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and are satisfied that the charity's activities are faithful to the charity's objectives and are for public benefit and that the trustees keep this guidance in mind when exercising their powers and duties.

In order to deliver our aims, Spitalfields Music programmes performances and runs creative music sessions in community and educational settings. In 2016-17, our activities included

- a music festival in December 2016 with performances in venues in and around Tower Hamlets

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- interactive music performances for young people across East London, and also by invitation to Mannheim in Germany
- music projects delivered in twelve mainstream and two SEN neighbourhood schools in Tower Hamlets
- music workshops for young people with and without learning difficulties delivered in Tower Hamlets in collaboration with Drake Music and London Symphony Orchestra
- an assistive music technology focused pilot project for care home residents in Tower Hamlets as part of *Living Arts*, plus a training session for activities staff from HC-One care home provider
- a tour of *Depart*: a site-specific circus, dance and music production in cemeteries and parks in Hull, Blackpool and Brighton in partnership with LIFT (London International Festival of Theatre), the National Centre for Circus Arts, LeftCoast, Brighton Festival and Hull City of Culture 2017.

STRATEGIC REPORT

Performance

The Performance strand of our work furthers our aim of producing and curating exceptional music experiences that inspire, surprise, challenge and entertain audiences. It also enables us to invite the world's leading artists to our performance base in Tower Hamlets, creating work in extraordinary spaces locally that reaches into and inspires our communities and which resonates nationally and internationally.

Musical Rumpus

We undertook two tours of our award-winning opera series for toddlers and families. In 2016-17 we revived 2014 production *Catch a Sea Star* inspired by the music of Bach and also commissioned a new original score from composer Sam Glazer for *Fogonogo*. These tours were made up of 23 performances in libraries and children's centres across Newham, Barking & Dagenham and Tower Hamlets. In addition we offered specialist music training sessions to parents and community centre staff, supporting them to use music with young children at home and in other sessions. 129 parents and 51 community centre staff took up these sessions.

This year we have been tracking closely how children engage in each performance and the subsequent impact on child development and communication. The feedback we have received for these performances demonstrates that these music experiences surprise and entertain our audience, and also empower people to make music.

"She made her first giggle!" (Audience member)

"(My child) found it soothing and inviting. He enjoyed chatting with the cellist and plucking the cello strings to make music." (Audience member)

"Wonderful experience for our families. Will have impact ...when OFSTED come to the centre next."
(Children's Centre manager)

"I was amazed by the way [it] was so utterly captivating and engaging for the babies for the whole time. This is such an important thing to offer babies at such a crucial point in their development."
(Children's Centre manager)

In Autumn 2017, Musical Rumpus production *Fogonogo* was re-staged and toured again across east London boroughs - testing for the first time how audiences respond to the same music and a developed show and how the familiarity of that material may have a further impact on child development.

The show was also invited to tour internationally to Luxembourg, Denmark and Germany. It was presented as part of an Arts & Infants Seminar, alongside a presentation by Bea Hankey about our work for young audiences in underprivileged areas, and the GrowOp! Opera for young audiences programme in both Ikast and Aarhus, Denmark.

The European tour will both generate income towards the costs of the project, and will significantly raise the profile of and advocate for, our work, placing us at the heart of international dialogue about early years music/opera practice.

Spitalfields Music Festival

From 4-11 December 2016, Spitalfields Music presented a Festival comprising 25 events over 8 days including:

- Pianist Melvyn Tan performing *Variations for Judith* in honour of Judith Serota, including a new Variation by Rolf Hind to add to the 11 variations written in 2012
- A sold-out performance of Bach's *B Minor Mass* by Solomon's Knot at Shoreditch Town Hall
- Gothic Voices performing at the Tower of London
- Sound House with The Society of Strange and Ancient Instruments
- Three Open Call commission work-in-progress pieces and post-show Q&As

During the Festival we presented four new commissions from composers and 4,697 tickets were sold or taken up for our events. Events at the Festival received four and five star reviews from The Guardian, The Times, the Financial Times and Bachtrack, demonstrating that our work is of high quality.

In order to increase the variety of our performance programme and repertoire, we are now working with guest Artistic Curators to programme our Festival events each year, and also on other smaller scale projects. This will enable us to access artists via these Curators and continually offer the opportunity for new ways of working, inspiring both the Spitalfields Music team and our audiences.

In Summer 2017, we piloted this way of working when acclaimed lutenist Elizabeth Kenny curated our House Concerts series, developing bespoke programmes for our stakeholders and audiences in intimate settings. We held three sold-out intimate concerts, taking place in the living rooms of private Huguenot homes around Spitalfields, together with a public concert at Hoxton Hall. Three donors lent their homes for these unique salon-like performances, and 200 stakeholders and supporters attended and encountered stunning artists 'up close'.

Building on our success in presenting these programmes in intimate settings, we will return to many of these homes and present a promenade performance of Schumann's *Dichterliebe* as a featured event in the 2017 Festival. This is only possible through building on our relationships with these local residents, which we have held for many years, and through our partnership with the Landmark Trust, whose house on Princelet Street will be used not only as a concert venue but as a base for several world renowned artists during the Festival.

In Summer 2018, we will expand our programme of early music/classical events to new venues working with a new artistic curator. Our intention is that these events should make a positive financial contribution.

André de Ridder was appointed Artistic Curator for our forthcoming Winter Festival in December 2017, developing our programming across early and contemporary music in new ways, bringing his unrivalled connections with international artists from a range of musical genres, and enabling him to create and explore new and unique programme ideas through working with Spitalfields Music. André de Ridder has been invited to continue as Artistic Curator for our 2018 Festival to capitalise on continuity and realise further ambitions from his artistic vision which will not be possible in 2017. Working with André in 2018 will enable a handover to a new artist curator alongside our future Music for Travelling project. **In 2018-19 we plan to bring an associate artistic curator on board for the future – an emerging artist who would benefit from working with the Spitalfields Music team and diversify our outlook on producing and programming. This will help us realise our aim to open up pathways in professional development for artists.**

Artist Development

The Artist Development strand of our work focuses on our aim to open up pathways for artists' professional development. These projects also help us to realise our aims to empower people to explore, make and debate music through the artists that we work with.

Open Call

Open Call is a new initiative in 2016-17 which was designed to support music creators in laboratory-style commissions, offering opportunities to challenge compositional practice, explore working in new ways and provoke dialogue between composers, audiences and ideas.

3 work-in-progress commissions were offered as part of our Winter Festival 2016.

Our 2016-17 Open Call composers and their creations were:

- Timothy Cape: *Worker Portraits*, a multi-media performance piece illuminating diverse perspectives on the value of hard work
- Jackie Walduck: *Migration Game*, an interactive experience recreating the challenges facing refugees
- Ailish Ni Riain: *I Used to Feel*, a mini music-theatre 'scenario' in a hotel room, with live music, performative sign-language, story-telling and film projection

Timothy Cape gave this feedback after his experience working with Spitalfields Music:

"The Open Call commission helped me translate a lot of the skills I have developed into tuning an approach and process for my artistic work; specifically it has helped my transition into an area of socially engaged practice and I am very excited to continue in this direction. Crucially, the scheme had an openness which allowed me flexibility in crafting the piece, and in how I presented it, as well as a strong support from a fantastic team. A highlight was the mentoring aspect – mentors were chosen to suit my interests and direction and they have been critical in allowing me to develop a practice which makes sense to me as a person and musician."

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We believe that this illustrates the potential for this programme to work towards a diverse and adaptive musical workforce.

We will offer a further two Open Call commissions in 2017/18, focusing our recruitment on under-represented groups as a specific diversity action. These commissions will have potential to feed into our future artistic programme, including Music for Travelling, a multi-strand project taking place across 2018-2020.

Creative Leadership Programme

We trained 3 young musicians through a year-long Traineeship as well as offering 3 days of skills training to an additional 20 emerging music leaders on our Skills Lab programme.

Our 2016-17 Trainee Music Leaders were:

- Rosie Bergonzi, percussionist
- Patrick Barrett, choral leader and singer
- Joe Steele, saxophonist and composer

Rosie Bergonzi evaluated her time on the course, demonstrating that the programme meets our aim of ensuring a more rounded and connected musical workforce:

"I can't imagine what I'd be doing right now if I'd not been on the scheme, but I'm sure my future wouldn't be looking so colourful and varied. This year has been phenomenal and I hope it's the stepping-stone to an exciting career – already the links I've made have led to professional work from various arts organisations."

After assisting a range of creative music projects throughout their traineeship, the three trainee music leaders have the opportunity to put the techniques and skills they have developed into practice, developing and delivering their own 6-session music project with KS2 pupils in one of our Neighbourhood Schools.

"For Ridwan to be singing on his own, that was amazing. He loved it!"

Teacher feedback on the impact of the Trainee Music Leader end of year project on one of their pupils.

We have secured a three-year grant from Help Musicians UK's inaugural National Grants Programme to extend the reach of the Creative Leadership Programme (Trainee Music Leaders and Skills Lab) nationally, focusing on diversity in the creative workforce.

In 2017-18, we are working in partnership with LSO Discovery and Opera North's Education team to support an additional two Trainee Music leaders. A total of five Trainees are taking part in the programme, three placed on Spitalfields Music projects, one placed with LSO Discovery and one (based in Yorkshire) working on Opera North's programmes, with a specific focus on early years.

Spitalfields Music is providing the framework and central coordination of this programme.

This new partnership approach acknowledges and widens the impact of the long-running scheme on the sector, draws partnership income into the project and shares approaches and builds

capacity for partners in order to strengthen the programme and deepen the learning experience for Trainees.

Learning

The work that we do with young people and communities in settings from schools to workshops to care homes addresses our aim to empower people to explore, make, debate and share music and in doing so to realise potential in individuals and communities. We work with exceptional music leaders to deliver our work, inspiring and challenging our participants.

Learning & Participation Programme

Overall, across the year, we provided 6,500 opportunities for local people to take part in music activities. The full range of projects built participants' musical skills, communication, teamwork and confidence, encouraged inclusion and supported family bonding. This was achieved through a range of projects and programmes, detailed below.

Neighbourhood Schools Programme

This took the form of a bespoke series of creative projects in a network of local schools, including Sing Together; Royal Academy of Music partnership as part of Open Academy; KS3 Singing Project; Soundhouse; Romans with St Matthias project; Cherry Trees school project; Phoenix School project; as well as In-school Performances with artists including Shabaka Hutchings and TROUPE ensemble.

Overall, we delivered 97 creative music sessions with 14 schools to build musical skills and creativity, communication, teamwork, confidence and wellbeing. Each project worked towards achieving a specific set out outcomes for participants and partner schools, tailored to that year group and curriculum focus and agreed with each school as part of a partnership agreement for the year.

Our programme reached over 1,400 children and the general outcomes:

- Inspired pupils through access to exceptional music experiences they would not otherwise encounter
- Built confidence, team work and social skills through group music-making and performance opportunities
- Encouraged parents' engagement in children's education and using music at home

Each project achieved specific outcomes and impacts as follows:

The **Sing Together Project** supported bonding between parents/carers and their children through song-writing and singing together which encouraged greater parental engagement in the school community and in their child's learning. Parents received a professionally recorded CD of their songs to use at home.

100% of parents involved rated the project 'good' or 'very good'.

Parent feedback:

"The project was educational, it motivated children [in] their reading and creative activities"

"Very good fun for the kids and also for the parents"

"[I enjoyed] collaborating with the children, taking part in their learning"

"We sing the songs together at home"

The **Royal Academy of Music project** gave pupils a first listening experience of contemporary and classical repertoire, and two classes built skills in composition, teamwork and performance, thinking and learning about the PSHE themes of inclusion and bullying.

Pupil's feedback:

"I learnt that you could express yourself in music and there is always a story behind music"

"I learnt that because people are different you don't treat them different"

1. What did you enjoy most about the project and why?

When we performed because I felt really proud

3. What did you learn from the project? - This might be something about yourself or your class, or a new fact.

I learnt that I actually sing nicely and that Francis Bacon designed a sound house.

The **KS3 Singing sessions** introduced pupils to new musical repertoire and built skills, confidence and interest in singing through a public performance at the Museum of Childhood.

Teacher feedback:

"Our kids were totally buzzing after [the performance], sang the songs the whole walk home (charming at first....) and have now taught the factory one to a significant number of y7."

"The Big Sing Project was very well received by the students. They enjoyed the experience and, in particular, the ultimate performance. I thought that the breadth of genres allowed for valuable exploration and challenge."

The **Soundhouse Project** supported Year 4 children's engagement with the science curriculum and the sound experiments of Francis Bacon, while building their musical, communication and teamwork skills.

Teacher feedback:

"Normally quite quiet pupils really shone throughout the project."

"My three lower functioning kids were all sharing ideas and were really focused, and the boys who are low in my class in writing really shone out and got stuck in."

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The **Romans at St Matthias project** fed into Year 3 pupils' Romans curriculum topic. The children made puppets, worked collaboratively to create a story, and wrote original songs together which they performed to an audience of family and friends. Pupils gained new history knowledge through music making and built their skills in puppetry, music composition, drama and performance, building on their presentation and creative skills.

Teacher feedback:

"There were a lot of values underpinning it: creativity, collaboration, respect, openness, performance. They really, really enjoyed it a lot".

Pupil feedback:

"I enjoyed everything and I want to never forget about Spitalfields Music. THEY ROCK!"

The **Cherry Trees Project** helped young boys with social, emotional and mental health needs to express themselves in new and more constructive ways through music and poetry, while building a supportive and environment that encouraged teamwork and confidence.

Teacher feedback:

*"One boy, following conversations with a Spitalfields musician, discovered a beatboxer he loves. He has since watched his YouTube videos and continually practices at home. He is very good (although VERY shy). He is currently working on a project to invite the beatboxer to our school to put on a show. This was **an outstanding success**".*

"[The project] has had a significant continuous impact... there's much more music going on now, we're more comfortable about making music."

"Samir's singing represented a big step forward in his emotional development."

The **Phoenix School Project** gave Key Stage 4 students on the autistic spectrum explored the themes of change and growth over 7 sessions, working together to build their confidence and creative expression.

Our future plans for the Neighbourhood Schools Programme in 2017-18

Schumann Street Reimagined – inspired by the Schumann Street programme in Festival 2017, 3 Year 4 classes at two Tower Hamlets primary schools will create their own songs to make a new song-cycle inspired by the themes and music of *Dichterliebe*, which will be performed alongside Schumann Street artists at Rich Mix as part of the Festival. Three additional Tower Hamlets school classes will have the opportunity to come and hear the final performance.

A **KS3 Singing Project** will further build singing in Tower Hamlets schools at KS3 with a focus on inclusion, bringing together 6 mainstream and 1 SEN/D school for massed singing workshops, supported by a teacher training session.

Royal Academy of Music (RAM) performances – working with music leader, Jessie Maryon Davis, 6 RAM Open Academy Fellow musicians will perform a devised musical assembly performance to KS2 pupils in four Tower Hamlets schools. The performances will give pupils a high quality listening

experience and introducing new contemporary classical and classical repertoire, while exploring relevant PSHE themes.

Trainee Music Leader final projects - 2 creative music projects for KS1 and 2 groups will be devised and led by Trainee Music Leaders as part of their training programme. Working with classes at our Neighbourhood Schools the trainees will set project objectives with the class teachers and be supervised by scheme mentor, Sam Glazer.

Living Arts Music Technology Pilot

Building on the Living Arts pilot in 2016, with funding provided to lead artist Julian West by the French Huguenot Trust, we delivered a further series of pilot sessions of the Living Arts project in March and April 2017. These sessions explored the use of music technology across 3 creative sessions plus an evaluation/focus group at Aspen Court Care Home where the 2016 pilot took place. The sessions explored whether the use of assistive music technology could offer residents living with dementia additional accessible ways into music making.

Based on the established Living Arts methodology of responsive, person-centred arts making, focused on present creativity, these sessions focused on music rather than multiple-art forms, but still involved conversation, improvisation, storytelling and singing as well as use of live and digital instruments to make and capture musical moments created by residents.

These sessions gave six residents and two staff at Aspen Court a stimulating experience of music making, enhancing wellbeing and affirming personhood. It enhanced the activity offered as part of the Aspen Court programme.

We were able to test new technologies and approaches supported by staff and with researcher, Dr Hannah Zeilig acting as a critical friend.

It enabled us to maintain our successful relationship with the staff and residents at Aspen Court Care Home, and provider HC-One, who we hope to partner with on large-scale future programme.

With additional funding from HC-One, we also delivered a training session with HC-One Activities staff from their care homes across the south-east of England, sharing the methodology and approach of Living Arts.

We have made funding bids to Arts Council England's Celebrating Age fund and to the City Bridge Trust for a 3-year programme of work called 'The Endless Imagination Project' which builds on the Living Arts model.

If the funding is received, the project will aim to engage wider care staff and volunteers, visitors and relatives in creative activities with residents in three care homes in Tower Hamlets.

Supported by a research strand, the project will aim to improve the culture of care, and the nature of care relationships in care homes through creativity and arts, impacting on residents' long-term wellbeing.

Soundbox Inclusive Ensemble

Soundbox: Inclusive Ensemble | Jan – April 2017 | 10 sessions, 2 performances, 15 participants

We offered fortnightly Saturday inclusive music sessions for local disabled and non-disabled young people aged 16-25, offering a rare opportunity for disabled young people to work as equals with their peers, supported by specialist music leaders and accessible music technology, and create their own music. The project was hugely successful, with participants learning new skills, performing their original pieces confidently, and making new friends.

Case Study: Dami

Dami is a 19 year old young man with autism, who we first met in 2013 through our work with Phoenix School. Once Dami left the support system of Phoenix at 18, he found there were very limited opportunities for him to pursue his interests in music, and few chances to socialise with non-disabled young people. His mum commented in 2016 that *"Dami definitely enjoys music and I have found it difficult to find something for him to attend locally on a regular basis, I fear he is missing out on developing his talents"*.

This year, we were able to provide high-quality music sessions led by specialist workshop leaders for Dami to develop his talents and confidence. Dami attended every Soundbox session and contributed with huge enthusiasm, volunteering to lead the group in warm-up activities and performing with real commitment. In the second session, he developed an interest in the violin and had a go, supported by musicians from the London Symphony Orchestra. By the final project sharing Dami was confidently leading one of the pieces on the violin, an instrument he had never played before. We're now talking to Tower Hamlets Arts and Music Service about acquiring a violin and lessons for Dami to continue this passion at college! We think Dami says it best, in his end-of-project feedback below:

Soundbox end of project survey

Please answer any of the questions below that you can

Your name (leave blank if you prefer) Damilola

Have you learned any new skills at Soundbox?

learned violin skills

Have you improved any skills you already had at Soundbox?

whistling and group work

Have you been able to help others in the group with their music-making or have others helped you? If so, please give examples.

Natalie helped me
Matt helped me

Were you able to make the music you wanted to make at Soundbox?

Yes in the performance
I played in time

How would you describe Soundbox to a friend?

Sound box is musical
and Fantastic

This was a development of an initial three-day holiday project into fortnightly inclusive music sessions for young people with and without disabilities – this year we brought in as a new partner the London Symphony Orchestra, as well as continuing our partnership with Drake Music. We raised the age range to 16-25 in response to identified need.

Working with the two partners enabled us to strengthen the project, drawing on the specialist expertise of partner organisations and their music leaders/musicians (A Drake music technology and inclusion specialist co-led the project, and LSO musicians supported the project). It enabled us to offer more sessions to participants with funds from each partner sharing project costs.

The extended project enabled participants to:

- Further improve their skills in music, particularly creative composition, music technology and performance; they also had raised musical aspirations and ambitions.

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- Participants developed their life skills such as communication, team-work, collaboration, social skills and leadership and demonstrated increased awareness of issues relating to disability.

The regular group established a social and supportive group, increasing cohesion between young people from different backgrounds and with different abilities.

“It’s a really fantastic project. You get along with other people, it is really enjoyable. A fantastic music-making project.” **Tom, participant**

“A safe place for Saira to be herself” **Saira’s carer**

Organisational Development: New Programme & Business Model

Greater flexibility following an organisational restructure has allowed Spitalfields Music to change and adapt programmes to react to changing circumstances and to take more risks artistically, making our work more diverse and experimental. We are moving towards one overall programme with greater integration between our Festival and Learning & Participation programme – with a clear commitment to outstanding production and talent development. In 2017-18 there will be further integration of the Learning & Participation and Festival programme, with Neighbourhood Schools feeding into our Schumann Street Reimagined project in the 2017 Spitalfields Festival, and our THAMES Platform project also integrated into the Festival programme.

The Spitalfields Music staff team has shown a greater sense of engagement through their work on Business Planning, with a new Performance Management system integrated into the organisation’s Strategic Aims. This has led to the team being more focused on the charity’s strategic objectives, and with greater incentives for continued improvement in performance – hence the team is better able to deliver public benefit outcomes.

As part of a Board Development programme, we have recruited two new trustees with financial and accountancy experience to replace existing members of the Board who are due to retire. Further recruitment phases will follow during 2018 and 2019, prioritising the recruitment of an artist or artists to the Board, to ensure that artistic imperatives are acknowledged in every decision, as a focus of our mission to deliver strong public benefit.

Supporters

Spitalfields Music relies on support from a wide range of organisations:

Corporate

Clifford Chance Foundation
Hammerson plc
Janus Henderson Global Investors

M&G Investments
Simmons & Simmons
Travers Smith

Public funders

Arts Council England
City of London
London Borough of Barking & Dagenham
Newham Music Trust

Tower Hamlets Arts & Music Education
Service (THAMES)
Youth Music

Trusts & Foundations

Angus Allnatt Charitable Foundation
Austin & Hope Pilkington Trust
City of London Solicitors Company
Cockayne - Grants for the Arts
John S Cohen Foundation
Derek Shuttleworth Educational Trust
Dunard Fund
Esmée Fairbairn Foundation
French Huguenot Church of London Charitable
Trust
Golsoncott Foundation
Help Musicians UK National Grants
Programme
Hinrichsen Foundation
Kirby Laing Foundation
London Community Foundation
Loveday Charitable Trust

Lucille Graham Trust
Mary Kinross Charitable Trust
Mrs Wingfield Charitable Trust
Nugee Foundation
Oldfield Charitable Trust
Paul Hamlyn Foundation
PRS Foundation's The Open Fund
RVW Trust
SHM Foundation
The Childhood Trust
The Haberdashers' Company
Thistle Trust
Worshipful Company of Chartered Secretaries
and Administrators
Worshipful Company of Parish Clerks
Worshipful Company of Wax Chandlers

Donations in kind

We also receive support from companies and individuals who enable us to maintain our level of activity. To all of our supporters, we are very grateful for this vital help and involvement in our work

Performance and Rehearsal

Andaz Hotel
Hoxton Hotel
Museum of Childhood
Rich Mix
Queen Mary University London
St Bart's Pathology Museum
St Leonard's Church, Shoreditch
The Chapel Royal of St Peter ad Vincula,
Tower of London
Tower Hamlets Cemetery Park

Brady Arts & Community Centre
Osmani Primary School
Shapla Primary School
Morpeth Secondary School
CM (Community Music)
Royal Academy of Music
Drake Music
London Symphony Orchestra
Wellcome Trust

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Meetings and Receptions

Tom Holmes
Marianna Kennedy
Simon Wedgwood

Landmark Trust
SHM Group

Legal and Professional Services:

Eyediology
Fieldfisher LLP
Macfarlanes LLP

Mazars LLP

Volunteers

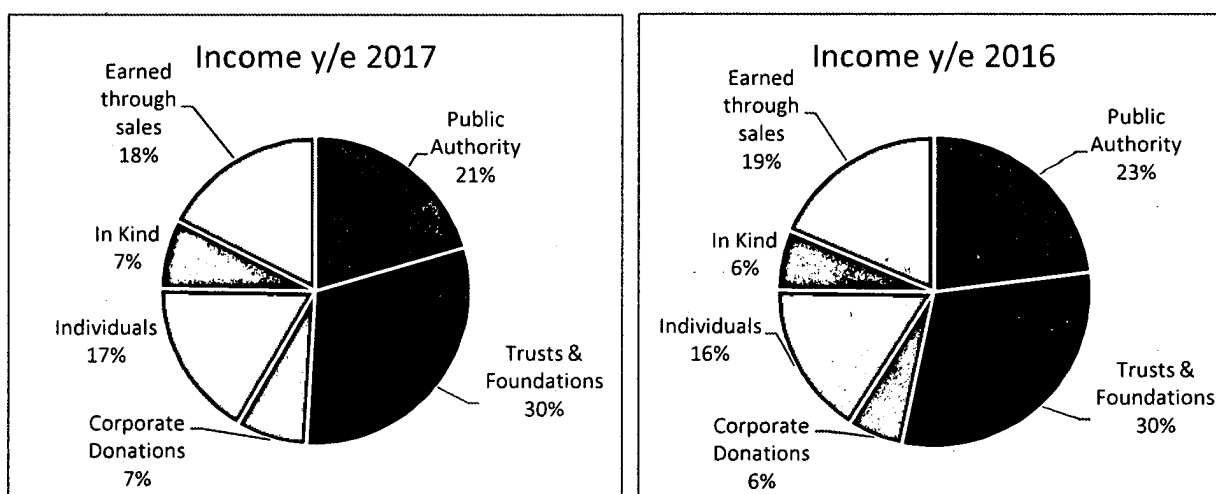
In addition, the charity relies on the help of volunteers during the Festivals and at other events throughout the year. 47 people volunteered this year, providing 106 instances of volunteering as stewards at our events, spending approximately 500 hours working with us. Our volunteers make excellent ambassadors to our audiences, providing support as festival stewards and assistants. We have partnerships with staff volunteers from Janus Henderson Global Investors as well as long term relationships with Streetwise Opera, Team London and Queen Mary University of London.

FINANCIAL REVIEW

The financial result for the year is an operating deficit of £186,035 (2016: £103,850), mitigated by the performance by our investment portfolio which had a surplus of £23,048 (2016: £88,974), giving a final deficit of £162,987 in comparison with the prior year, which showed a deficit of £14,876.

Income

Income for the year was £605,889, a decrease of £394,887 (39%) from the prior year figure of £1,000,786. The diversity of income sources is largely unchanged from the prior year (prior year values shown in brackets) with 31% from donations (28%), 30% from trusts and foundations (30%), 21% from public sources (23%) and the remaining 18% of income earned through activities (19%). Earned income fell by 50% from £136,805 to £68,025 as a direct consequence of the decision not to hold a Summer Festival in 2016-17 but the impact was offset by a corresponding reduction in expenditure. Although the proportion of our income streams has not changed, this does mean that all areas of income generation have decreased from the previous year. This was not unexpected, as staffing changes taking place throughout the year meant that our fundraising team for the majority of the year was reduced to one full time member of staff from three previously, supplemented with freelance consultancy and the support that could be offered in making funding bids by members of the executive team, and our marketing capacity was also reduced. The new Director of Development joined the team in Summer 2017 and, with a further fundraising post holder returning from



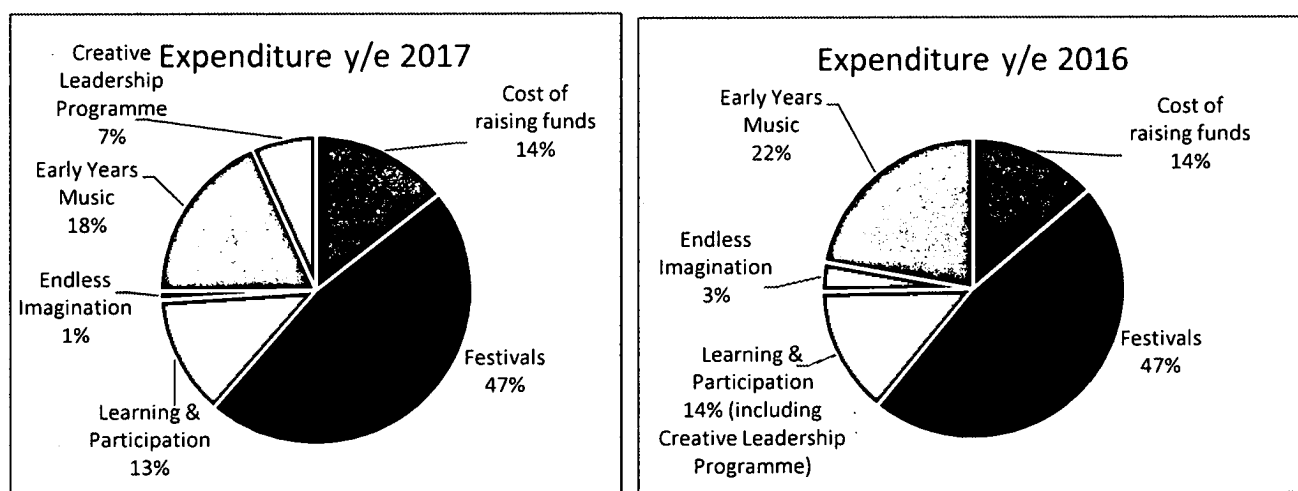
maternity leave in Autumn 2017 and a return of marketing capacity, the trustees are confident that the programme of work in 2017-18 and beyond provide good opportunities for fundraising from all income streams. In addition to staffing changes there were some multi-year grant agreements that came to an end in the year, notably relating to the Musical Rumpus programme. We have already secured new funding for programmes of work on a multi-year basis through Help Musicians UK and have further applications in process to fund our work in this way.

Expenditure

Expenditure fell by 28% to £791,934 (2016: £1,104,636). The trustees implemented a restructure of the organisation in Summer 2016 to reduce establishment costs and build a more flexible staff team

SPITALFIELDS FESTIVAL LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2017

to deliver our reinvigorated programme of work. The majority of expenditure, 86% (2016: 86%), went directly on charitable activity including the delivery of our Learning & Participation programme and Winter Festival. The cost of generating funds decreased by 25% from £152,244 to £114,129, due to reduced staff headcount in the fundraising team, despite specialist fundraisers brought in during the year. The proportion of expenditure on Festival and Learning and Participation remained the same year on year at 47% and 39% respectively. Actual amounts spent both dropped, in Festivals from £520,374 to £373,059 (29%) due to the removal from our programme of a large scale Summer Festival and a reduction in staff employed in the department. In Learning & Participation, expenditure fell from £432,018 to £304,746 (28%). In addition to a reduced number of staff in the department for part of the year, in 2016-17 we did not deliver a full programme of work for *Living Arts* and there was no large scale community event related to the Summer Festival in year. In the 2015-16 year, the Trainee Music Leaders project that now forms part of the Creative Leadership Programme was included within Learning & Participation expenditure.



Following the restructuring of the organisation in year, staffing related expenditure fell from £518,214 to £413,560 (20%). Expenditure on staffing in the year included the one-off costs associated with the restructure. The move to St Margaret's House incurred one-off costs of approximately £10k but the charity will see the benefit of reduced establishment costs in 2017-18 and beyond.

RESERVES POLICY

As at 31 August 2017, the charity's total reserves were £619,899 (2016: £782,886), consisting of Restricted Funds of £345,164 (2016: £343,764) and Unrestricted and undesignated reserves of £274,735 (2016: £433,030). The trustees' policy for reserves is to protect the continuity of the organisation's work and to provide the capital needed for changes or expansion of the charity. When setting the level of unrestricted reserves, the trustees considered the plans for activity in the coming year and beyond, and the likelihood of the organisation being able to meet earned and raised income targets. Taking into account the level of activity and the risk to income over the coming year, trustees have set a target range of unrestricted reserves at £300,000-£350,000. This level would enable the organisation to meet committed levels of activity, and allow for a modest

SPITALFIELDS FESTIVAL LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2017

amount of investment in research and development. The budget for 2017-18 plans a return to a breakeven position and more strategic use of Restricted Funds, with more projects designed to make use of the Christopher Vaughan Legacy and the New Music Commission Fund. The trustees aim to rebuild unrestricted reserves through small surpluses in future years.

In 2016-17, Spitalfields Music expended the final balance in the designated property fund to be spent on property costs. This fund was derived from the sale of a flat which was purchased with grant funding from Arts Council England through the National Lottery Fund. Rent of £6,092 in year was allocated to this fund, bringing the balance to zero at 31 August 2017.

INVESTMENT POLICY

The charity has the power to invest monies not immediately required for the furtherance of its objects. Sufficient cash must be held for the charity to meet its regular operating commitments, and the trustees have set this level at no less than £100,000 as an instant access cash balance held in bank accounts. Other investments are restricted to instruments easily traded on recognised exchanges. Investments may be made direct, but currently are made through intermediaries, our fund manager. Any fund managers used will be registered with and authorised by a recognised Stock Exchange or equivalent financial authority such as the UK FCA.

The trustees have set a target investment return of LIBOR plus 3.5% over a period of three to five years. An annualised volatility level has been set at no more than 5% on a long term basis compared with target performance on the overall portfolio to ensure the protection of the value of the charity's investment assets. In the year 2016-2017, the Trustees took the decision to remove all funds from one of our fund managers and invest everything in a single portfolio for the time being, due to the amount that we have available to invest. During the year, the portfolio closed in June 2017 had underperformed on our target of LIBOR plus 3.5%. The portfolio that Spitalfields Music continues to hold out-performed our target on a three, six and 12-month basis. Taking into account the losses on one portfolio and the gains on the other, there was a net increase in our investment portfolio value of £23,048 at the year end.

While the charity's investment policy has been agreed by the trustees, responsibility for ongoing investment issues has been delegated to the Finance & Legal sub-committee.

The Restricted Funds are included in the investment portfolio, further details of which can be found in the notes to the accounts.

RISK MANAGEMENT

The trustees acknowledge their responsibility to assess and manage the risks that the organisation faces and have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. However, such systems can only provide reasonable and not absolute assurance against errors, fraud, operations failures and the impact of external events.

Over the restructure and transition period, the trustees have reviewed the way risks are tracked and assessed. This has involved an exercise in which every member of the staff team has contributed towards identifying risks in their areas and to the organisation as a whole, as well as suggesting ways to mitigate these risks.

Ongoing risks to the organisation are related to capacity within our staff team, and Spitalfields Music's ability to raise funds to continue producing high quality programmes of work. As predicted, the decision to reduce the level of performance activity (particularly not holding a Summer Festival) has had an adverse impact on income across all funding streams. The trustees are also aware that public performances are an important way of engaging with our supporters. The organisation is now in a position to mitigate these risks as the staff team in the new structure is up to strength and our new programme of performances (including the 2017 Festival) is implemented. The internal staff capacity issues relate to staff changeover due to the restructure and to a number of cases of coinciding maternity leave. This means that there has been more recruitment than anticipated during the year, and in the 2017-18 year, there will be a number of experienced members of staff covered for fixed terms. Spitalfields Music is working to minimise the disruption to programmes and the loss of institutional knowledge through strong handover procedures and making use of contract extensions where feasible.

There are a number of external influences increasing risks to the organisation. Cuts in local authority budgets have been well documented and have a direct impact on the schools, community centres, libraries and care homes where we work. The pressure on organisations in the voluntary sector to fill the gap has increased, whilst at the same time, there is increased competition for funding from individuals, businesses, trusts and foundations. Funding for the arts is under particular pressure, resulting from the standstill funding by the Arts Council England for National Portfolio Organisations (including Spitalfields Music), and the potential for cuts in future depending on the money available to Arts Council England. This reduction of available funding from Arts Council England is likely to lead to further demand on income from trusts & foundations, companies with an interest in supporting the arts and individual philanthropists, increasing competition for funding.

STRUCTURE

Spitalfields Festival Limited is a company limited by guarantee and was incorporated on 15 December 1995. It is registered with the Charity Commission for England and Wales and is governed by its memorandum and articles of association.

The affairs of the organisation are managed by the trustees who meet at least four times each year as the Spitalfields Music Board. The trustees are also the directors and the only members of the company. The Board is ultimately responsible for the strategic direction of the charity, supported by a sub-committee for Finance & Legal matters. The company information set out on page 25 of this report contains details of current membership of the Board. Outside the governance structure, a Programme Advisory Group meets up to four times a year to advise the senior leadership team on programming. The Programme Advisory Group contains both trustees and associate members.

SPITALFIELDS FESTIVAL LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2017

Day to day management of the organisation is the responsibility of the senior leadership team, led by the Chief Executive. The Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and programming.

The Board has arrangements to support the appointment of trustees who have the skills, knowledge and networks to govern the organisation effectively. Under the company's articles of association:

- There shall be at least three trustees at all times
- The current trustees have the power to appoint, at any time, any person to be a trustee
- Trustees shall serve an initial term of three years, at the end of which they will be eligible for re-appointment for a further three years. Following this term it is possible for a 75% majority of trustees to vote to re-appoint a trustee for a further term of three years
- The Board meets formally four times each year
- The terms of reference for the Board and each committee are reviewed annually

When a requirement for new trustees is identified due to a need to expand the skills base or to replace trustees who are stepping down, a committee is formed of current trustees to recruit via various avenues which could include advertising within the arts sector, using pro bono head-hunting services or inviting contacts of existing trustees and staff. New trustees undergo an induction to clarify their legal obligations under charity and company law, the content of the memorandum and articles, the current financial state of the organisation, the most recent business and strategic plans and the delegation and decision making process. They are invited to meet all members of staff and to be briefed by the leadership team on their roles within the charity. Both internal and external training is offered to trustees as necessary.

STATEMENT OF RESPONSIBILITIES

The trustees (who are also directors of Spitalfields Festival Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statement for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statement, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities FRS102 SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statement; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure

SPITALFIELDS FESTIVAL LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2017

that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Price Bailey LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 2006 they are deemed re-appointed auditors for the ensuing year.

In preparing this report, the trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report, including the strategic report, was approved by the trustees.

Signed on behalf of the trustees



Maurice Biriotti, Chair

Date 10th January 2018

SPITALFIELDS FESTIVAL LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2017

SPITALFIELDS FESTIVAL LIMITED (Limited by Guarantee) trading as Spitalfields Music

REGULATORY INFORMATION

BOARD	Maurice Biriotti* (Chair) Oluremi Atoyebi Lindsey Glen Nicholas Hardie* Michael Keating Stephen Madigan* (from 27 September 2017) Simon Martin* Jasmine Mathews* Charlotte Morgan* (from 27 September 2017) Sir Alan Moses Nicky Oppenheimer Katie Tearle MBE Judith Weir CBE (stepped down 1 December 2016) *indicates membership of the Finance & Legal Committee
COMPANY SECRETARY	Damaris McDonald
CHIEF EXECUTIVE	Eleanor Gussman (maternity leave from 8 September 2017) Stephen Newbould (maternity cover from 8 September 2017)
PRINCIPAL OFFICE	St Margaret's House, 15 Old Ford Road, London E2 9PJ
REGISTERED OFFICE	St Margaret's House, 15 Old Ford Road, London E2 9PJ
AUDITORS	Price Bailey LLP, 7 th Floor Dashwood House, 69 Old Broad Street, London EC2M 1QS
SOLICITORS	Field Fisher Waterhouse LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT
BANKERS	CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ Barclays Bank, 1 Churchill Place, London E14 5HP
COMPANY REGISTRATIONS	Charity number: 1052043 Registered in England & Wales: 3138347 VAT number: 524 7309 51

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPITALFIELDS FESTIVAL LIMITED

Opinion

We have audited the financial statements of Spitalfields Festival Limited for the year ended 31 August 2017 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This Report is made solely to the Charitable Company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's Members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and its Members, as a body, for our audit work, for this Report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 August 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Statement of Recommended Practice for Charities (SORP 2015).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our Report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating To Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by The Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements have been prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

SPITALFIELDS FESTIVAL LIMITED
TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2017

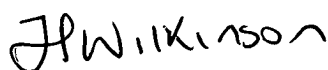
In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the Audit of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with

ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.



Helena Wilkinson FCA (Senior Statutory Auditor)

for and on behalf of
PRICE BAILEY LLP

Chartered Accountants
Statutory Auditors

Tennyson House
Cambridge Business Park
Cambridge
Cambridgeshire
CB4 0WZ

Date: 31 January 2018

SPITALFIELDS FESTIVAL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
		£	£	£	£
Income from:					
<i>Donations and legacies:</i>					
Public Authority Grants	3	115,000	8,932	123,932	229,970
Other Grants, Donations & Gifts	4	132,092	243,567	375,659	584,248
<i>Charitable activities:</i>					
Festivals		68,025	-	68,025	136,805
Learning & Participation		11,366	-	11,366	13,555
Early Years Music		15,335	-	15,335	25,435
<i>Other Trading Activity</i>		11,355	-	11,355	10,351
<i>Investments</i>		227	-	227	422
Total Income		353,400	252,499	605,899	1,000,786
Expenditure on:					
<i>Raising funds:</i>					
Fundraising expenditure		113,160	-	113,160	150,863
Investment Management costs		223	746	969	1,381
<i>Charitable activities:</i>					
Festivals		217,670	152,389	370,059	517,374
Learning & Participation		30,587	67,296	97,883	153,117
Living Arts		-	7,407	7,407	35,280
Early Years Music		-	144,787	144,787	243,621
Creative Leadership Programme		-	52,735	52,735	-
Christopher Vaughan Legacy projects		-	1,934	1,934	-
NMCF projects		-	3,000	3,000	3,000
Total Expenditure	5	361,640	430,294	791,934	1,104,636
Net expenditure before unrealised gains		(8,240)	(177,795)	(186,035)	(103,850)
Net gains on investments		12,515	10,533	23,048	88,974
Net Income/(Expenditure)		4,275	(167,262)	(162,987)	(14,876)
Transfers between funds		(168,241)	168,241	-	-
Net Movement in Funds		(163,966)	979	(162,987)	(14,876)
Reconciliation of funds					
Total funds brought forward		438,701	344,185	782,886	797,762
Total funds carried forward		274,735	345,164	619,899	782,886

The statement of financial activities includes all gains and losses recognised in the year and all income and expenditure derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

SPITALFIELDS FESTIVAL LIMITED


BALANCE SHEET AS AT 31 AUGUST 2017

	Note	2017	2017	2016	2016
		£	£	£	£
Fixed assets					
Tangible assets	10		7,563		-
Investments	11		<u>469,144</u>		<u>776,842</u>
			476,707		776,842
Current assets					
Debtors	12	15,144		27,146	
Cash at bank and in hand	13	<u>219,992</u>		<u>98,057</u>	
		235,136		125,203	
Current liabilities					
Creditors falling due within one year	14	<u>(91,944)</u>		<u>(119,159)</u>	
Net current assets			<u>143,192</u>		<u>6,044</u>
Net assets			<u>619,899</u>		<u>782,886</u>
The funds of the charity:	15				
Unrestricted funds			274,735		438,701
Restricted funds			<u>345,164</u>		<u>344,185</u>
Total charity funds			<u>619,899</u>		<u>782,886</u>

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 10th January 2018 and signed on its behalf by:


Maurice Biriotti
Chairman

The accompanying notes form an integral part of these financial statements.

Company registration no: 3138347

SPITALFIELDS FESTIVAL LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2017

		2017 £	2016 £
Cash flows from operating activities:			
Net cash provided outflow from operating activities	19	<u>(199,907)</u>	<u>(222,161)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(8,385)	-
Purchase of investments		(125,150)	-
Net gains from investments			
Interest from investments		227	422
Proceeds from the sale of investments		455,150	200,000
Net cash provided by investing activities		<u>321,842</u>	<u>200,422</u>
Reconciliation of cash and cash equivalents			
Change in cash and cash equivalents in the year		121,935	(21,739)
Cash and cash equivalents at beginning of year		98,057	119,796
Cash and cash equivalents at end of year	13	<u>219,992</u>	<u>98,057</u>

The accompanying notes form an integral part of these financial statements.

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting Policies

a) Basis of preparation

Spitalfields Festival Limited t/a Spitalfields Music is a company limited by guarantee in the United Kingdom, registered office at 15 Old Ford Road, London E2 9PJ. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The nature of the charity's operations and principal activity is to maintain, improve and advance the education of the public through musical activities. The charity meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The company is a public benefit entity for the purposes of FRS102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS102 Charities SORP), and the Companies Act 2006.

The principal accounting policies adopted in the preparation of the financial statements are set out below:

b) Going concern

The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

c) Income

Income is accounted for as unrestricted unless restrictions exist under the terms on which they are received or solicited. Voluntary income and donations are accounted for on an accruals basis. All income in the Statement of Financial Activities is shown gross of the associated costs and is accounted for where there is entitlement to the income, it is probable that the benefits associated with it will flow to the charity and it can be reliably measured. Income from charitable activities is recognised as it is earned. Where amounts are billed in advance of the activity being carried out, the income is deferred. Legacy income is recognised when its amount and receipt is probable.

Help/Gifts in Kind: On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Donations, including donations from individuals, corporate donations and donations from trusts and foundations are recognised when the charity is entitled to the income, subject to any conditions attached to the donation.

d) Expenditure

All expenses are accounted for on an accruals basis. Wherever possible costs are allocated directly to the appropriate activity; other overhead, support and governance costs common to all activities are apportioned between those activities on the basis of the proportion of staff time spent in each activity. The charity initially identifies the costs of its support functions including those costs relating to the governance function. These are apportioned between the key activities undertaken on the basis of the proportion of staff time spent on each activity. Direct costs include all staff and materials brought together solely for that activity.

Fundraising expenditure comprises costs incurred in inducing people and organisations to contribute financially to the charity's work. This includes the cost of advertising for donations and the staging of special fundraising events.

Expenditure incurred in connection with the specific objects of the charity is included under the heading *Charitable activities*. This includes funds spent on artists, practitioners and production costs associated with our Festival events and Learning & Participation programme.

The irrecoverable element of VAT is charged against the category of resources expended for which it was incurred.

e) Tangible fixed assets and depreciation

All assets acquired for continuing use by the charity costing more than £500 are initially capitalised at cost and measured subsequently at cost less depreciation and any impairment losses.

Depreciation of tangible fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Furniture & Office Equipment
Musical Instruments

f) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

h) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

i) Financial instruments

The charity only has financial assets and financial liabilities of the kind that qualify as basic financial instruments.

- Investments measured at their fair value as at the balance sheet date
- All other assets and liabilities are held at cost

j) Investments

Investments are stated at fair value using their market rate as at the balance sheet date. The statement of financial activities includes the net gains or losses arising on revaluation throughout the year. Any net gain or loss in the year is split proportionally across the funds that are invested.

1 Accounting Policies (continued)

k) Funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objects of the charity and have not been designated for other purposes.

Designated funds comprise funds which have been set aside by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

l) Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

m) Pensions

The charity contributes to a Group Personal Pension scheme at the rate of 3% of annual salary. The cost of providing pensions for employees is charged to the Statement of Financial Activities in the year in which the contributions are due. The charity has no liability beyond making its contribution and paying across the deductions for the employees' contributions.

n) Operating leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight-line basis over the term of the lease.

o) Redundancy

In the event of a restructure leading to a redundancy situation, staff who are entitled to redundancy payments will be identified and those payments will be shown as part of the staffing costs for the year in which they are due.

2 Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting estimates to declare.

SPITALFIELDS FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

3 Public Authority Grants

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Arts Council, England - Revenue Funding	70,000	-	70,000
Arts Council, England - Strategic Touring	-	(548)	(548)
City of London - Revenue Funding	45,000	-	45,000
London Borough of Tower Hamlets		9,480	9,480
	<u>115,000</u>	<u>8,932</u>	<u>123,932</u>

	Unrestricted Funds £	Restricted Funds £	Total 2016 £
Arts Council, England - Revenue Funding	70,000	-	70,000
Arts Council, England - Grants for the Arts	-	12,960	12,960
Arts Council, England - Strategic Touring	-	88,010	88,010
City of London - Revenue Funding	45,000	-	45,000
London Borough of Tower Hamlets	1,500	10,000	11,500
	<u>2,500</u>	<u>-</u>	<u>2,500</u>
	<u>119,000</u>	<u>110,970</u>	<u>229,970</u>

4 Other Grants, Donations & Gifts

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Trusts & Foundations	1,550	182,667	184,217
Corporate Donations	14,063	31,000	45,063
Donations from Individuals	94,396	8,000	102,396
Donations in kind	22,083	21,900	43,983
	<u>132,092</u>	<u>243,567</u>	<u>375,659</u>

	Unrestricted Funds £	Restricted Funds £	Total 2016 £
Trusts & Foundations	29,905	272,803	302,708
Corporate Donations	57,200	-	57,200
Donations from Individuals	161,799	125	161,924
Donations in kind	32,482	29,934	62,416
	<u>281,386</u>	<u>302,862</u>	<u>584,248</u>

5 Total expenditure

	Direct costs 2017 £	Support costs 2017 £	Total 2017 £
Raising Funds	98,579	15,550	114,129
Charitable activities:			
Festivals	323,063	46,996	370,059
Learning & Participation	87,294	10,589	97,883
Living Arts	6,755	652	7,407
Early Years Music	131,447	13,340	144,787
Creative Leadership Programme	48,098	4,637	52,735
Christopher Vaughan Legacy projects	1,934	-	1,934
NMCF projects	3,000	-	3,000
	<u>700,170</u>	<u>91,764</u>	<u>791,934</u>

	Direct costs 2016 £	Support costs 2016 £	Total 2016 £
Raising Funds	120,942	31,302	152,244
Charitable activities:			
Festivals	463,014	54,359	517,373
Learning & Participation	107,419	45,698	153,117
Living Arts	25,757	9,523	35,280
Early Years Music	191,233	52,389	243,622
Christopher Vaughan Legacy projects	-	-	-
NMCF projects	3,000	-	3,000
	<u>911,365</u>	<u>193,271</u>	<u>1,104,636</u>

Prior year restricted and unrestricted funds comparitor

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £
<i>Raising funds:</i>			
Fundraising expenditure	150,863	-	150,863
Investment Management costs	746	635	1,381
<i>Charitable activities:</i>			
Festivals	246,899	270,475	517,374
Learning & Participation	29,553	123,564	153,117
Living Arts	-	35,280	35,280
Early Years Music	-	243,621	243,621
Christopher Vaughan Legacy projects	-	-	-
NMCF projects	-	3,000	3,000
	<u>428,061</u>	<u>676,575</u>	<u>1,104,636</u>

SPITALFIELDS FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

5 Total expenditure continued

Analysis of governance and other support costs

	Raising Funds	Festivals	Learning & Participation	Living Arts	Early Years Music	Creative Leadership Programme	2017 Total
Support Costs							
Finance & Strategy	3,855	15,519	2,322	57	3,228	1,069	26,050
Office Costs	3,053	7,717	1,449	161	2,732	965	16,077
Premises Costs	5,734	16,768	5,508	289	4,903	1,730	34,932
Publicity & Promotion	1,820	4,244	795	88	1,504	530	8,981
Governance Costs	931	2,353	443	49	833	294	4,903
Depreciation	156	395	74	8	140	49	822
Total Support Costs	15,549	46,996	10,591	652	13,340	4,637	91,765

	Raising Funds	Festivals	Learning & Participation	Living Arts	Early Years Music	2016 Total
Support Costs						
Finance & Strategy	8,580	26,514	26,514	9389	38,214	109,211
Office Costs	4,896	7,453	3,193	-	5,937	21,479
Premises Costs	11,718	17,832	14,934	-	6,470	50,954
Publicity & Promotion	4,563	114	49	-	89	4,815
Governance Costs	1,545	2,351	1,008	134	1,679	6,717
Depreciation	-	95	-	-	-	95
Total Support Costs	31,302	54,359	45,698	9,523	52,389	193,271

Included in direct costs are amounts representing donated goods, services and facilities. The total benefit of help in kind received in year was £43,983 (2016: £62,416). This help in kind includes free or discounted hire of venues and equipment for festival events, as well as pro bono advice and legal services.

	2017	2016
Net (expenditure) / income is stated after charging:	£	£
Depreciation	822	95
Auditor's remuneration - audit fees	5,500	5,170
Operating lease charges	23,391	27,000

6 Staff Costs

	2017	2016
	£	£
Staff costs comprise:		
Wages and salaries	316,665	425,312
Social security costs	30,712	38,921
Pension costs	7,642	3,515
	355,019	467,748
Freelance and Consultancy	58,541	50,546
Total Staff Costs	413,560	518,294

Key management personnel include the trustees, Chief Executive and three senior staff reporting directly to the Chief Executive. The total employee benefits of the charity's key management personnel (Chief Executive and three senior staff) were £217,668 (2016: £ 227,313).

The average number of staff employed during the year was 11 (2016: 15).

One employee earned between £70,000-£80,000 during the year (2016: no employees earned more than £60,000).

Redundancy payments of £13,652 were made in the year (2016: nil). There were no amounts outstanding at August 2017.

7 Pension Commitments

The charity operates a defined contribution pension scheme. Pension costs for the period have been charged at £7,642 as outlined above (2016: £3,515). At the period end, £1,961 was owed to the scheme (2016: no money owed to the scheme at year end).

8 Trustees

The trustees received no remuneration during the year (2016: nil).

No expenses were reimbursed to trustees for travel or other costs incurred on behalf of the charity. The costs of refreshments and hospitality at meetings for the year came to £110, with help in kind for venues valued at £380 (2016: travel for two trustees for £57 total. Costs of refreshments & hospitality at meetings was £129).

9 Related party transactions

Donations from trustees in the year to 31 August 2017 came to £17,745 (2016: £18,323).

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

10 Fixed Assets

	Piano	Office Equipment	Furniture	Total
	£	£	£	£
Cost				
At 1 September 2016	4,095	53,542	-	57,637
Additions	-	4,671	3,714	8,385
Disposals	-	(49,042)	-	(49,042)
At 31 August 2017	4,095	9,171	3,714	16,980
Depreciation				
At 1 September 2016	4,095	53,542	-	57,637
Charge for year	-	409	413	822
Eliminated on disposals	-	(49,042)	-	(49,042)
At 31 August 2017	4,095	4,909	413	9,417
Net book value				
At 31 August 2017	-	4,262	3,301	7,563
At 31 August 2016	-	-	-	-

All assets relate to the charitable activities. The piano was valued by the trustees on 31 December 2000, having been donated to the charity in 1995. During the year to 31 August 2017, the charity assessed the resale value of office equipment and made adjustments to the net book value as a result, disposing of assets that have now been disposed of or are of no resale value.

11 Investments

	2017	2016
	£	£
Investments as at 1 September	776,842	889,248
Disposal proceeds	(455,150)	(200,000)
Additions	125,150	-
Net investment gain	22,302	87,594
Total investments at 31 August	469,144	776,842
Historical Cost	380,371	751,457

The trustees consider individual investment holdings in excess of 5% of either portfolio to be material. At 31 August 2017, there were seven material holdings with the Cazenove Charities Multi-Asset Fund:

Charity Equity Fund: 7.7%
Old Mutual UK Alpha Fund: 6%
Majedie UK Equity Fund: 5.7%
Schroder QEP Global Core: 9.8%
Vanguard S&P 500 ETF: 5.8%
Schroder Global Emerging Markets Fund:
Held in Cash: 7.8%

The investments are listed on a recognised stock exchange in accordance with the charity's investment policy. Investments held during the year were not income bearing.

12 Debtors

	2017	2016
	£	£
Debtors: amounts falling due within one year		
Trade debtors	-	890
Prepayments and Accrued Income	13,891	26,256
	13,891	27,146
Debtors: amounts falling due over more than one year		
Other debtors	1,253	-
	15,144	27,146

13 Analysis of cash and cash equivalents

	2017	2016
	£	£
Cash in hand	219,992	98,057
Total cash and cash equivalents	219,992	98,057

14 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	1,744	3,689
Other taxes and social security costs	13,053	514
Deferred Income	65,000	101,250
Accruals	12,147	13,706
	91,944	119,159

Movements in deferred income in the year were as follows:

	2017	2016
	£	£
Balance brought forward	101,250	166,548
Amounts released in the year	(101,250)	(166,548)
Amounts deferred in the year	65,000	101,250
Balance carried forward	65,000	101,250

Any amounts deferred in year are to reconcile the differences in financial year between funders and the charity in the case of ACE revenue funding and core funding from the City of London.

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

15 Reserves	Brought Forward 01-Sep-16 £	Transfer Between Funds £	Income £	Expenditure £	Transfer from Unrestricted Fund £	Carried Forward 31-Aug-17 £
Restricted Funds						
Christopher Vaughan Legacy	154,129	-	5,529	(2,331)	-	157,327
New Music Commission Fund	165,107	-	5,004	(3,349)	-	166,762
Early Years Music Fund	24,949	-	98,874	(144,787)	20,964	-
Learning & Participation Fund	-	-	64,500	(67,296)	7,326	4,530
Creative Leadership Programme Fund	-	-	32,225	(52,735)	27,055	6,545
Living Arts Fund	-	-	2,500	(7,407)	4,907	-
Festivals Fund	-	-	54,400	(152,389)	107,989	10,000
Total Restricted Funds	344,185	-	263,032	(430,294)	168,241	345,164
Unrestricted Funds						
Property Fund	6,092	-	-	(6,092)	-	-
General Fund	432,609	-	365,915	(355,548)	(168,241)	274,735
Total Unrestricted Funds	438,701	-	365,915	(361,640)	(168,241)	274,735
Total Funds	782,886	-	628,947	(791,934)	-	619,899

	Brought Forward 01-Sep-15 £	Transfer Between Funds £	Income £	Expenditure £	Transfer from Unrestricted Fund £	Carried Forward 31-Aug-16 £
Restricted Endowment						
New Music Commission Fund	152,645	(152,645)	-	-	-	-
Restricted Funds						
Christopher Vaughan Legacy	137,479	-	16,981	(331)	-	154,129
New Music Commission Fund	-	152,645	15,766	(3,304)	-	165,107
Early Years Music Fund	-	-	268,570	(243,621)	-	24,949
Learning & Participation Fund	-	-	54,725	(123,564)	68,839	-
Living Arts Fund	-	-	12,960	(35,280)	22,320	-
Festivals Fund	-	-	77,452	(270,475)	193,023	-
Total Restricted Funds	290,124	-	446,454	(676,575)	284,182	344,185
Unrestricted Funds						
Property Fund	33,092	-	-	(27,000)	-	6,092
General Fund	474,546	-	643,306	(401,061)	(284,182)	432,609
Total Unrestricted Funds	507,638	-	643,306	(428,061)	(284,182)	438,701
Total Funds	797,762	-	1,089,760	(1,104,636)	-	782,886

In 2015-16 the trustees took the decision to change the treatment of the New Music Commission Fund. It remains a restricted fund with which to pay composers for new pieces of work, but is no longer categorised as an endowment fund.

Restricted funds represent funds donated for a specific project, and are allocated as shown above.

Christopher Vaughan Legacy — This is a restricted fund to support musical education for children in the London Borough of Tower Hamlets and performances by younger musicians. The funds are invested in accordance with the investment policy and the trustees aim to draw on this fund for new areas of activity which are being developed or areas which are considered to be important but cannot attract external funding.

New Music Commission Fund — This fund was set up by Judith Weir at the time that she stepped down as Artistic Director of Spitalfields Music. Funds are invested in accordance with the investment policy. Funds are to be spent on fees for writing new music for Spitalfields Music Festivals.

Early Years Music Fund — This fund is based around the income and project costs for the Musical Rumpus and Sound Explorers series. Grants are made by funders and project costs including staffing and a proportional contribution towards wider support costs are included in expenses.

Learning & Participation Fund - This fund is based around the income and project costs for our year round Learning & Participation programme, including our work with local Schools. Grants are made by funders and project costs including staffing and a proportional contribution towards wider support costs are included in expenses.

Creative Leadership Programme Fund - This fund represents grant income made for our Open Call and Trainee Music Leaders Programmes, in particular a three year grant from Help Musicians UK whose first half year monies are represented here. Project costs include a contribution towards staffing and wider support costs and include costs of the project prior to the grant year funded by Help Musicians UK.

Living Arts Fund - This fund represents grant income made for the pilot of our programme working with residents in a care home in London Borough of Tower Hamlets. Project costs include a contribution towards staffing and wider support costs.

Festivals Fund — This fund represents grant income made to support specific projects during Spitalfields Music Festivals. Grants are made by funders and project costs including staffing and a proportional contribution towards wider support costs are included in expenses.

Property Fund — This fund is derived from the sale of a previously owned property which was purchased with grant funding from Arts Council, England through the National Lottery Fund. Funds are invested in accordance with the investment policy and the trustees draw on this fund for costs associated with property. Rental expenditure for the year of £6,092 was charged against this fund, leaving it with a zero balance at the year end.

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

16 Analysis of Net Assets between Funds

	2017 Tangible Fixed Assets £	2017 Investments £	2017 Net Current Assets £	2017 Total £
At 31 August 2017				
Restricted: Christopher Vaughan Legacy	-	189,560	(32,233)	157,327
Restricted: NMCF	-	170,316	(3,554)	166,762
Restricted: Learning & Participation	-	-	4,530	4,530
Restricted: Creative Leadership Programme	-	-	6,545	6,545
Restricted: Festivals	-	-	10,000	10,000
Unrestricted	7,563	109,268	157,904	274,735
	<u>7,563</u>	<u>469,144</u>	<u>143,192</u>	<u>619,899</u>
	2016 Tangible Fixed Assets £	2016 Investments £	2016 Net Current Assets £	2016 Total £
At 31 August 2016				
Restricted: Christopher Vaughan Legacy	-	186,362	(32,233)	154,129
Restricted: NMCF	-	168,661	(3,554)	165,107
Restricted: Early Years Music Fund	-	-	24,949	24,949
Unrestricted	-	421,819	16,882	438,701
	<u>-</u>	<u>776,842</u>	<u>6,044</u>	<u>782,886</u>

17 Financial Commitments

At 31 August 2017 the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Equipment:		
Within one year	1,108	-
Between two and five years	1,200	-
	<u>2,308</u>	<u>-</u>
	£	£
Buildings:		
Within one year	15,036	13,500
Between two and five years	23,807	-
	<u>38,843</u>	<u>13,500</u>

18 Control and Share Capital

The charity is a company limited by guarantee. In the event of the company being wound up the guarantee is limited to £1 per member.

19 Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net expenditure for the year	(162,987)	(14,876)
Adjustments for:		
Depreciation charges	822	95
Net gains on investments	(22,302)	(87,594)
Interest received	(227)	(422)
(Increase)/Decrease in debtors	12,002	(7,506)
Increase/(Decrease) in creditors	(27,215)	(111,858)
Net cash used in operating activities	<u>(199,907)</u>	<u>(222,161)</u>